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3) Poll: 42 % support Abe as next premier

NIHON KEIZAI (Page 1) (Abridged)
July 24, 2006

Chief Cabinet Secretary Shinzo Abe garnered 42 % support to become the next prime minister, the Nihon Keizai Shimbun found from its public opinion survey conducted July 21-23, up one point from the last poll taken in June. The poll shows Abe increasing his lead over other potential candidates. In the meantime, Yasuo Fukuda, one of Abe's predecessors in the CCS post, announced on July 21 that he would not run for the ruling Liberal Democratic Party's presidential election set for this September. In the survey, Fukuda was down 5.0 points but still stood at 12 % in public support.

The approval rating for the Koizumi cabinet was 46 %, down one point. The disapproval rating was 44 %, up 3 points and the highest level since the election in September last year for the House of Representatives.

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The survey was taken by Nikkei Research Inc. over the telephone on a random digit dialing (RDD) basis. For the survey, samples were chosen from among men and women aged 20 and over across the nation. A total of 1,593 households with one or more voters were sampled, and answers were obtained from 966 persons (60.6 %).

4) Poll: Over 80 % support sanctions on North Korea

NIHON KEIZAI (Page 2) (Abridged)
July 24, 2006

More than 80 % of the Japanese public support the government's decision to take sanction measures against North Korea in the wake of that country's firing of ballistic missiles, the Nihon Keizai Shimbun found from its latest poll. More than half of them also answered that the government should intensify its sanctions further. In addition, about 70 % positively evaluated the government's diplomatic efforts for the United Nations Security Council's recent adoption of a resolution condemning North Korea.

Asked about North Korea's firing of missiles, 63 % thought of it as a serious threat, with 25 % saying they do not think of it as a very serious threat.

The government decided on nine sanction measures right after North Korea's July 5 firing of missiles. The measures include prohibiting North Korean officials from entering Japan, recommending Japanese nationals to abstain from traveling to North Korea, and barring the North Korean ferry Mangyongbong. Furthermore, the government is studying additional sanctions, such as stopping money remittances from North Korean residents in Japan to their home country and freezing North Korean assets.

In the survey, respondents were asked about these government sanction measures. In response to this question, The proportion of those saying the measures are "appropriate" and those insisting on the necessity of taking "even stronger sanctions" were on a par at 42 %, with only 3 % regarding the measures as "too severe."

5) Poll: 53 % urge premier not to visit Yasukuni Shrine

NIHON KEIZAI (Page 2) (Full)
July 24, 2006

The late former Imperial Household Grand Steward Tomohiko Tomita recorded Emperor Showa's statements in his recently discovered diaries and notebooks, quoting the emperor as being displeased with the enshrinement of Class-A war criminals at Yasukuni Shrine. In the latest Nihon Keizai Shimbun poll, respondents were asked about the prime minister's visits to Yasukuni Shrine. In response to this question, 53 % said the prime minister should not visit the shrine, with 28 % saying the premier should visit.

In a previous survey taken in June, respondents were asked about Prime Minister Junichiro Koizumi's visits to Yasukuni Shrine. In response, nearly 50 % were supportive of his Yasukuni visits, broken down into 17 % saying he should visit the shrine on Aug. 15, the day World War II ended, with 32 % saying he should visit the shrine on a different day, not on Aug. 15. Negative answers accounted for 37 %. The results of previous polls and the one taken this time cannot be simply compared due to different questions and options. In the

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latest poll, however, cautious answers outnumbered positive ones.

6) Poll: Support for next premier's visits to Yasukuni Shrine down 14 points to 33 %, with 54 % opposed

MAINICHI (Top play) (Abridged)
July 24, 2006

The Mainichi Shimbun conducted a telephone-based nationwide public opinion survey on July 22-23. In the survey, respondents were asked if they thought the next prime minister should visit Yasukuni Shrine. In response to this question, 54 % or a majority of the respondents answered "no," with 33 % saying "yes." As seen from the figures, negative answers markedly outnumbered positive answers. In a previous survey taken in January this year, public opinion was split, with 47 % for and another 47 % against. However, "yes" dropped 14 percentage points in the latest survey. For one thing, Japan's relations with China and South Korea have yet to change for the better. In addition, the decline is probably because of the discovery of memos that recorded statements by the late Emperor Showa (Hirohito) voicing his displeasure with the enshrinement of Class-A war criminals at Yasukuni Shrine.

Chief Cabinet Secretary Shinzo Abe, a likely candidate to become Prime Minister Koizumi's successor, has supported Koizumi's visits to Yasukuni Shrine. Meanwhile, Abe has been taking the position that Yasukuni should not become a diplomatic issue, so he has avoided clarifying whether he would visit the shrine if he takes office as prime minister. The survey results could affect Abe's future stance.

Among those who picked Abe, 48 % opposed the next prime minister visiting Yasukuni Shrine, with 42 % supporting it. As seen from these figures, negative answers outnumbered positive ones even among those who support Abe.

In the survey, respondents were also asked if they would support Prime Minister Junichiro Koizumi visiting Yasukuni Shrine on Aug. 15, the anniversary of the end of World War II. In response to this question, "no" accounted for 54 %, with "yes" at 36 %. Among those who support the Koizumi cabinet, 53 % were negative, with 39 % positive. Among those who do not support the Koizumi cabinet, negative answers accounted for 77 %.

7) Poll: 63 % support separating Class-A war criminals from war dead enshrined at Yasukuni Shrine

MAINICHI (Page 1) (Abridged)
July 24, 2006

Japan's Class-A war criminals in World War II have been enshrined at Yasukuni Shrine since 1978. In the latest Mainichi Shimbun poll, however, 63 % supported the idea of separating those Class-A war criminals from the war dead enshrined at Yasukuni Shrine, with 23 % opposing the idea.

According to recently discovered records, the late Emperor Showa (Hirohito) was displeased with the enshrinement of Class-A war criminals at Yasukuni Shrine. In the political world, an increasing number of lawmakers presume that the late emperor's statements could spur arguments calling for the idea of separating Class-A war criminals from Yasukuni Shrine. In the meantime, there are also

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arguments cautious about making political use of the emperor. However, the latest poll shows that about two-thirds of the public support unenshrining the Class-A war criminals from Yasukuni. This will likely encourage those insisting on separate enshrinement.

Among those who support the ruling Liberal Democratic Party, 62 % support separate enshrinement. In addition, 61 % of those who support Prime Minister Koizumi's Yasukuni visit on Aug. 15 and 62 % of those who support the next prime minister's Yasukuni visits were also supportive of separate enshrinement. As seen from these figures, the general public regards separate enshrinement as a likely means of resolving the Yasukuni issue.

8) Abe's predominance in LDP presidential race now certain with Fukuda's decision to give up candidacy

ASAHI (Top Play) (Lead paragraph)
July 22, 2006

Former Chief Cabinet Secretary Yasuo Fukuda told former Prime Minister Yoshiro, chairman of the Liberal Democratic Party's Mori faction, in Tokyo yesterday afternoon that he would not run in the September LDP presidential election and that he would support Chief Cabinet Secretary Shinzo Abe, a faction member, for the post. The focus in the presidential race has been on whether groups opposed to Prime Minister Koizumi and his policies and not supporting Abe, would be able to field a unified candidate to counter Abe, the top contender. Now that Fukuda, who was regarded as the unified candidate backed by the anti-Abe forces, has expressed his support for Abe, Abe's overwhelming lead over his rivals is definite.

9) Yasukuni as expected welling up as campaign issue in the LDP presidential election: Clashes over separation of Class-A war criminals from the shrine, with Abe remaining cautious, Tanigaki positive

TOKYO (Top Play) (Abridged)
July 24, 2006

Chief Cabinet Secretary Shinzo Abe is filled with caution about separating off the souls of the Class-A war criminals now enshrined at Yasukuni Shrine, while Finance Minister Sadakazu Tanigaki has expressed a positive view about such recourse. Affected by the release of a memo in which the Showa Emperor was quoted as displeased about the enshrinement of the war criminals, the Yasukuni issue has welled up as a major campaign issue in the election for Liberal Democratic Party (LDP) president in September.

In a speech in Kobe, Abe made this remark about separation of the souls of the enshrined war criminals: "Even speaking from the principle of the separation of religion and state, it would seem that this decision should come from the shrine itself or the bereaved families." Abe supports the visits to Yasukuni Shrine by Prime Minister Koizumi. He is critical of those who oppose paying homage at the shrine based on the argument that Japan in signing the San Francisco Treaty accepted the judgment of the Tokyo War Crimes Tribunal, saying: "That's a leap in logic. Such seems to be an absurd argument in my view."

He asserted that the Class-A war criminals under Japan's domestic laws were not regarded as criminals, and he pointed out, "It is also clear that pension money has been paid out to the bereaved families."

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So there has been a big misunderstanding."

On the other hand, Tanigaki, appearing on an NHK television program, made this remark about the enshrined Class-A war criminals, keeping in mind relations between Japan and South Korea and China: "There's no doubt that there is a knife at our throat, so I think we have to make adjustments."

However, on the method of separating the souls, he would not go any further than to say: "Since it is a religious corporation's problem, it is very difficult to tackle."

10) LDP presidential race takes new turn with Fukuda's decision not to run

TOKYO SHIMBUN (Page 2) (Excerpts)
July 23, 2006

With former Chief Cabinet Secretary Fukuda's decision not to run the Liberal Democratic Party (LDP) presidential election in September, the post-Koizumi race has taken a new turn. It is now certain that Chief Cabinet Secretary Shinzo Abe has become the clear frontrunner, but supporters of Fukuda are not likely to just look on with folded arms. Attention is now being focused on whether a second strong candidate to replace Fukuda emerges.

On the night of July 20, a meeting was held to analyze the political situation with the participation of a former Health, Labor and Welfare Minister Yuji Tsushima, former Health, Labor and Welfare Minister Yuya Niwa, former Vice President Taku Yamasaki, former Foreign Minister Masahiko Komura, former Secretary General Koichi Kato, and others.

The evening meeting took place prior to Fukuda's announcement the next day, but discussion already was conducted on the presumption that Fukuda would not run in the race. The participants shared the view that "it is not desirable to allow Abe to enjoy an overwhelming victory." Many suggested the need to look for another candidate to stand against Abe.

In the LDP, many members take the view that the new prime minister should be elected through heated debates conducted among many candidates. This view reflects their dissatisfaction with Prime Minister Junichiro Koizumi's stance of pushing ahead with policy measures without listening to views in the party.

Given this situation, there is still the possibility in the LDP of moves accelerating to back a second candidate to replace Fukuda.

Defense Agency Director General Fukushima Nukaga might be the most likely "second Fukuda" candidate. He is well versed in national security and defense policies with much experience as cabinet minister. In addition, he is known to have a good personality.

State Minister for Economic, Fiscal and Financial Policy Kaoru Yosano is also a likely candidate. He is a kind of maverick with few friends in the political world, but he is expert in many policy areas. In particular, because he has kept himself aloof from the Koizumi reform line, he tends to be focused on as a likely candidate to counter Abe. Some junior members have already placed expectations on Yosano.

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Of course, it is conceivable that supporters of Fukuda will back Foreign Minister Taro Aso or Finance Minister Sadakazu Tanigaki, both of whom have begun preparations for running in the presidential race.

11) Poll of 403 LDP members: More than 170 votes likely to go to Abe

TOKYO SHIMBUN (Page 1) (Excerpts)
July 22, 2006

A poll carried out by the Tokyo Shimbun yesterday found that more than 170 out of the 403 Liberal Democratic Party (LDP) members surveyed are willing to vote for Chief Cabinet Secretary Shinzo Abe in the LDP presidential election scheduled for Sept. 20. One cannot run for party president unless more than 20 party members recommend that person. Aso and Tanigaki are almost certain to secure this required number of recommenders. Nearly half of those surveyed - 185 members - were categorized as "undecided or others", but they might vote for Abe, with former Chief Cabinet Secretary Yasuo Fukuda's decision not to run in the election.

The survey results came out based on direct interviews with LDP

party members by Tokyo Shimbun reporters or information obtained from party executives. As for those who said they would support a candidate other than Abe, Aso and Tanigaki, since the candidate might fail to secure the required number of recommenders, they were categorized as "undecided or others".

According to the survey, most members of the Mori faction, to which Abe belongs, are ready to support him. Many of the unaffiliated or other faction members are also going to vote for Abe.

Among those categorized as "undecided or others," there are many who were carefully watching Fukuda's moves. They might field another candidate.

In the Tsushima faction, a majority of members are looking to Defense Agency Director General Fukushima Nukaga's to run in the election. In the Yamasaki faction, the candidacy of former Vice President Taku Yamasaki is under consideration. Should neither Nukaga nor Yamasaki run in the election, many of these two faction members are likely to support Abe.

12) North Korea's missile launches: Foreign Minister Aso stresses the importance of unity to Philippines

ASAHI (Page 2) (Full)
July 24, 2006

Nanae Kurashige, Manila

Foreign Minister Aso, now visiting the Philippines, yesterday met with Foreign Minister Romulo and referring to North Korea's recent missile launches as a serious matter, said to him that at the upcoming the ASEAN Regional Forum (ARF) ministerial session, "I think it necessary for all the participants to be united in taking firm stance toward North Korea."

According to an account from the Japanese side, Romulo nodded in response to Aso's call. Aso also expressed his perception: "How to denuclearize the Korean Peninsula is one of the concerns in terms of

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the stability in the region."

Aso also met with President Arroyo and conveyed to her that Japan intends to send a development expert for the promotion of the peace process between the Moro Islamic Liberation Front (MILF), which aims for the independence of Mindanao Island from the Philippines, and the Philippine government. Aso attended an event commemorating the 50th anniversary of the normalization of diplomatic ties between the two countries.

13) UN resolution against Iran: Government decides to support it, attaching importance to consistency with its support of resolution against North Korea

YOMIURI (Page 4) (Full)
July 22, 2006

The government yesterday decided to support a draft sanctions resolution against Iran, which Britain and France have introduced to the United Nations Security Council.

The draft resolution mandates Iran to suspend its uranium enrichment activities within August and warns that economic sanctions will be imposed if it fails to comply with it.

Japan has friendly relations with Iran. However, in view of the fact that Japan played a leading role in the recent adoption of the sanctions against Pyongyang by working on other countries to support it, the government has judged that it should take a severe stance toward Iran over its nuclear development issue, otherwise, it's consistency will be questioned, as one senior Foreign Ministry official put it. Tokyo has also placed importance on cooperation with Europe and the US. In the meantime, by using its amicable relations with that country, Tokyo intends to continue to urge Iran to cooperate with the international community and to totally suspend

its uranium enrichment-related activities on a voluntary basis,.

Chief Cabinet Secretary Abe during a press conference on July 21 stressed, "We will closely cooperate with concerned countries so that the resolution will be adopted at the UNSC unanimously and swiftly. Commenting on Abe's statement, a government source remarked, "The government position is to support the resolution, but he has not categorically clarified it presumably in order to continue persuading Iran to drop the nuclear program."

14) Japan considers imposing requirements on firms linked to North Korea as part of efforts to prevent exports of materials convertible for weapons to North Korea via third countries

YOMIURI (Page 1) (Excerpts)
July 24, 2006

The government is mulling additional sanctions against North Korea for its missile launches and yesterday started discussions to modify a government ordinance issued under the Foreign Exchange and Foreign Trade Control Law so that some domestic firms with business links with North Korea will be obligated to report destinations for their exports if they export some 40 items -- such as large trucks, titanium alloy, and carbon fiber -- that may lead to the development of missiles and weapons of mass destruction. The aim is to strictly monitor exports and prevent the exports of missile-related materials and the like to North Korea via third countries.

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If the government deems it necessary to take additional sanctions when North Korea shows signs of launching another missile in the coming months, Japan intends to widen the coverage of export restrictions, in addition to the suspension of remittances to North Korea and the freeze on North Korea-related accounts.

All these measures are being considered following the United Nations Security Council resolution adopted on July 15. The resolution warns UN members against a possible transfer of missile and weapons of mass destruction-related materials and technologies to North Korea and seeks to prevent such a transfer.

The government will examine some 300 domestic firms that have business deals with North Korea, and in view of such matters as the export amount, items exported, and the closeness of links with North Korea, designate some of them as firms associated with the country.

15) JDA asks US for priority delivery of PAC-3 to Japan

SANKEI (Page 2) (Full)
July 24, 2006

Realizing the need to build a missile defense (MD) system earlier than initially planned in the wake of North Korea's recent missile launches, the Defense Agency (JDA) has asked the US Department of Army to make a priority delivery of the Patriot Advanced Capability-3 (PAC-3) missiles to Japan before their delivery to other countries, sources revealed yesterday. The department has told the JDA it will consider the request positively. But moving up the PAC-3 deployment schedule far ahead of the initial plan makes it indispensable for Japan to improve or repair launch pads and other facilities. Japan intends to urge domestic firms in the coming weeks to accelerate the upgrading of relevant facilities.

According to the JDA's plan, PAC-3 missile systems will be deployed in the Air Self-Defense Force's (ASDF) Iruma Base, where the ASDF's 1st Air Defense Missile Group Headquarters is located, in Saitama Prefecture by the end of this fiscal year. This system will also be deployed in fiscal 2007 at the ASDF's Narashino Base in Chiba Prefecture, where the 1st Air Defense Missile Group is stationed; its Takeyama base in Kanagawa Prefecture; and its Kasumigaura base in Ibaraki Prefecture as part of preparedness to intercept missiles to defend the metropolitan area. The same system will be deployed in fiscal 2008 in the ASDF's Hamamatsu Base in Shiga Prefecture and in fiscal 2009 in its Aibano Base in Shiga Prefecture and its Gifu and Hakusan Bases in Mie Prefecture.

The JDA had mulled pushing up the initial PAC-3 deployment schedule since July 5, when North Korea test-fired missiles, including a Taepodong-2. After examining the production process of missiles and other matters, the JDA came to the conclusion that it would be difficult to push up the schedule planned for this fiscal year but that it would be possible move up next fiscal year's schedule by about one month.

Taking this into consideration, the JDA judged it indispensable to have negotiations with the United States -- the manufacturer of the missiles -- at the political level in order for Japan to push up the PAC-3 deployment systems extensively. The JDA then asked the US Department of Army whether it would be possible to deliver on a priority basis PAC-3 missiles planned for other countries to Japan.

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Reportedly, the Department of Army has expressed a willingness to accept the JDA's request, given North Korea's missile launches.

However, even if the missiles are available ahead of the initial schedule, the PAC-3 cannot be deployed if Japan fails to accelerate the upgrading of launch pads for the use of the PAC-3 and radar devices. The work of upgrading is in the hands of domestic firms. The key to whether the PAC-3 systems can be deployed earlier than the initial schedule lies in whether the JDA can get those firms to pick up the pace.

16) Criminal charges to be filed against Yamaha Motor on suspicion of intending to illegally export helicopters to China while aware of possible conversion for military use

SANKEI (Top Play) (Excerpts)
July 24, 2006

It was revealed by a source yesterday that Yamaha Motor in Iwata City, Shizuoka Prefecture, intended to illegally export an unmanned helicopter convertible for military use to China. Determining that the company planned to export the product while fully aware that it could be converted for military use, the special investigation squads of the Shizuoka Prefectural Police and the Fukuoka Prefectural Police will shortly establish a criminal case against the company and personnel on suspicion of violating the unauthorized export clause of the Foreign Exchange Law.

According to the investigation, Yamaha Motor tried to export an R MAX-Type IIG unmanned helicopter-modified L181-type helicopter about 3.6 meters long to BVE, a Chinese aviation company, without obtaining an export authorization from the Ministry of Economy, Trade, and Industry. It is believed that the company has exported more than 10 units since 2001.

17) Japan's Iwakuni relocation costs estimated at 150 billion yen, including housing construction

NIHON KEIZAI (Page 1) (Excerpts)
July 23, 2006

According to the Japanese government's calculations, the cost of strengthening the functions of US Iwakuni Air Station in Yamaguchi Prefecture as part of the realignment of US forces in Japan will total 150 billion yen. Starting next year, Japan is expected to bear the cost for improving such facilities as the apron, to accommodate a carrier-borne unit of jet aircraft from the Atsugi base in Kanagawa Prefecture. Tokyo will coordinate with Washington to determine Japan's share of the cost, which is mostly housing expenses.

Japan and the United States are in accord to relocate 59 carrier-based airplanes to the Iwakuni base by 2014. The relocation also requires 1,900 US Navy personnel and their 1,700 family members to move to Iwakuni. An aerial refueling unit will also move to the Iwakuni base from Futenma Air Station in Ginowan, Okinawa. Japan and the US will soon begin working-level talks to map out concrete plans before year's end.

18) Defense Deputy Director-General Moriya to serve in post for fourth year

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YOMIURI (Page 4) (Abridged)
July 23, 2006

Defense Agency Director-General Fukushima Nukaga intends to keep Takemasa Moriya as the agency's deputy director-general when he makes personnel changes in August.

With this tentative decision, Moriya will serve in the current post for a fourth year, an exceptional long term as a deputy director-general or an administrative vice minister at a government ministry or agency.

Moriya, who took up the post in August 2003, strongly opposed the US plan to relocate Futenma Air Station to shallow waters off the Henoko district, a sticking point in US force realignment. But he also played a major role in convincing the US to accept Japan's coastline plan behind the scenes. As a result, Moriya was allowed to accompany Prime Minister Junichiro Koizumi to the United States for the Japan-US summit in late June.

Nukaga is believed to have decided to keep Moriya with abundant experience, as he has had a difficult time dealing with local municipalities that will be affected by the relocations plans. In addition, a set of bills to upgrade the agency's status to ministry is expected to face a crucial stage in the upcoming extraordinary Diet session in the fall.

19) Embargo on US beef to be lifted on July 27; No problems found in inspections of US meat processing plants

YOMIURI (Page 2) (Full)
July 22, 2006

The Ministry of Agriculture, Forestry, and Fisheries (MAFF) and the Ministry of Health, Labor, and Welfare (MHLW) on July 27 formally decided to resume imports of US beef, on which a second ban was imposed following the discovery of vertebral columns, a specified risk material, in shipments. The decision was made because a survey mission dispatched to the US by the two ministries has ended inspections of 35 meat packers that are authorized to export products to Japan and found no violations of import conditions that could have a serious impact on the ongoing efforts to reinstate the beef trade.

MAFF and the MHLW will compile a report and formally decide to resume imports, once they obtain approval from the Liberal Democratic Party (LDP) and others.

The mission inspected US meat-processing plants and ranches over a period of about a month.

The US Department of Agriculture (USDA) on the 20th announced a plan to curtail its BSE inspection system. MAFF Minister Nakagawa yesterday said that the USDA's decision would not directly affect Japan's decision to resume US beef imports.

However, the US decision on the curtailment of its BSE inspection system could raise Japanese consumers' distrust in US beef, leading to criticism of the government decision to restart beef imports.

For this reason, MAFF will continue to ask the US to keep the BSE inspection system in place or even expand it. It will hold a town

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meeting on the 28th to explain the results of the field inspections to consumers in Osaka and Tokyo.

SCHIEFFER